

CROWELL & MORING LLP

1001 PENNSYLVANIA AVENUE, N W
WASHINGTON, D C 20004-2595
(202) 624-2500
FACSIMILE (202) 628-5116

RICHARD E. SCHWARTZ
(202) 624-2905
rschwartz@cromor.com

October 26, 1999

SUITE 1200
2010 MAIN STREET
IRVINE CALIFORNIA 92614
(714) 263-8400
FACSIMILE (714) 263-8414
180 FLEET STREET
LONDON EC4A 3HD
44-171-413-0011
FACSIMILE 44-171-413-0333

300:res
89371.012

Michael Boydston, Esq. (6RC-S)
EPA Region 6
1445 Ross Avenue
Dallas, TX 75202

Re: Molycorp, Inc. Questa, New Mexico

Dear Mike:

By now you have probably received a copy of the Red River "background study" by the University of New Mexico. That report was edited -- apparently extensively -- by the New Mexico Natural Resources Trustee, Mr. William Turner, who ordered that all drafts of the report be destroyed. Enclosed is a copy of the letter from David Shoemaker reprinted in the October 24, 1999 edition of the Albuquerque Journal North that responds to a newspaper account about this background study. Molycorp believes that the report's conclusions are not supported by the evidence.

Please call if you would like any additional information.

Sincerely,



Richard E. Schwartz

Enclosure

cc: Mr. David R. Shoemaker
1665415

904250

